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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/663,151	09/15/2000	Bradley J. Swearingen	1302-1001	2668
32376 7590 01/05/2007 LAWRENCE R. YOUST DANAMRAJ & YOUST, P.C. 5910 NORTH CENTRAL EXPRESSWAY SUITE 1450 DALLAS, TX 75206			EXAMINER SUBRAMANIAN, NARAYANSWAMY	
			ART UNIT 3692	PAPER NUMBER
SHORTENED STATUTORY PERIOD OF RESPONSE		MAIL DATE	DELIVERY MODE	
3 MONTHS		01/05/2007	PAPER	

**Please find below and/or attached an Office communication concerning this application or proceeding.**

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

<b>Office Action Summary</b>	<b>Application No.</b> 09/663,151	<b>Applicant(s)</b> SWEARINGEN ET AL.	
	<b>Examiner</b> Narayanswamy Subramanian	<b>Art Unit</b> 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 18 August 2006.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 67-114 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 67-114 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                                | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                       | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

1. This office action is in response to applicant's communication of August 18, 2006.

Claims 67-114 are pending and have been examined. The rejections and response to arguments are stated below.

#### **Claim Rejections - 35 USC § 101**

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 67-114 are rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory Subject matter.

35 USC 101 requires that in order to be patentable the invention must be a "new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof" (emphasis added).

Claims 67-114 are drawn to "a computer program embodied on a computer medium, a system and a method for enabling a trade in a user selected user preferred security, the method comprising: identifying user preferred securities from a plurality of securities based upon at least two user specific criteria including at least one criterion related to pricing; generating a graph in which each of the user preferred securities is represented and graphically differentiated from each of the other user preferred securities based upon the values of at least three user specific parameters associated with each of the user preferred securities; receiving a user selection of one of the user preferred securities represented on the graph; associating order parameters with the user selected user preferred security; and sending an order to execute a trade in, the user selected user preferred security according to the order parameters". As such the claimed invention is

directed to a judicial exception to 35 U.S.C. 101 (i.e., an abstract idea, natural phenomenon, or law of nature) and is not directed to a practical application of such judicial exception because the claims do not require any physical transformation and the invention as claimed does not produce a useful, concrete, and tangible result.

The Court of Appeals for the Federal Circuit issued opinions in *State Street Bank & Trust Co. v. Signature Financial Group Inc.*, 149 F. 3d 1368, 47 USPQ2d 1596 (Fed. Cir. 1998) and *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 50 USPQ2d 1447 (Fed. Cir. 1999). These decisions explained that, to be eligible for patent protection, the claimed invention as a whole must accomplish a practical application. That is, it must produce a “useful, concrete and tangible result.” *State Street*, 149 F.3d at 1373-74, 47 USPQ2d at 1601 02. To satisfy section 101 requirements, the claim must be for a practical application of the § 101 judicial exception, which can be identified in various ways: (a) The claimed invention “transforms” an article or physical object to a different state or thing. (b) The claimed invention otherwise produces a useful, concrete and tangible result, based on the factors discussed below.

The USPTO’s official interpretation of the utility requirement provides that the utility of an invention has to be (i) specific, (ii) substantial and (iii) credible. See MPEP § 2107. The claimed invention does not seem to meet this requirement.

The tangible requirement does require that the claim must recite more than a § 101 judicial exception, in that the process claim must set forth a practical application of that § 101 judicial exception to produce a real-world result. Benson, 409 U.S. at 71-72, 175 USPQ at 676-77. Sending an order to execute a trade does not produce a real-world result, because there is no

Art Unit: 3692

assurance that the trade takes place. To execute a trade in, the user selected user preferred security according to the order parameters is interpreted as an intended use of the sending step.

For an invention to produce a “concrete” result, the process must have a result that can be substantially repeatable or the process must substantially produce the same result again. In re Swartz, 232 F.3d 862, 864, 56 USPQ2d 1703, 1704 (Fed. Cir. 2000) (where asserted result produced by the claimed invention is “irreproducible” claim should be rejected under section 101). The opposite of “concrete” is unrepeatable or unpredictable. Since the invention involves a user selection of one of the user preferred securities different results will be produced depending on which securities are selected.

There is no useful, concrete and tangible result produced from implementing the steps of the claimed invention. The dependent claims are rejected for the same reason and by way of dependency on a rejected independent claim.

#### ***Claim Rejections - 35 USC § 103***

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 67-114 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman (US Patent 6,161,098) in view of O'Shaughnessy (US Patent 6,317,726 B1).

Claims 67, 83 and 99, Wallman discloses a computer program embodied on a computer medium, a system and a method for enabling a trade in a user selected user preferred security,

the method comprising: generating a graph in which each user preferred securities is represented and graphically differentiated from each of the other user preferred securities based upon the values of at least three user specific parameters associated with each of the user preferred securities (See Wallman Abstract, Column 5 lines 3-5); receiving a user selection of one of the user preferred securities represented on the graph; associating order parameters with the user selected user preferred security; and sending an order to execute a trade in, the user selected user preferred security according to the order parameters (See Wallman Column 3 line 17 – Column 4 line 27). A computer program embodied on a computer medium and a system to perform the above steps are inherent in the disclosure of Wallman.

Wallman does not explicitly teach the step of identifying user preferred securities from a plurality of securities based upon at least two user specific criteria including at least one criterion related to pricing.

O'Shaughnessy teaches the step of identifying user preferred securities from a plurality of securities based upon at least two user specific criteria including at least one criterion related to pricing (See O'Shaughnessy Abstract Column 18 lines 11-63 and Column 19 line 1 – Column 20 line 67).

It would have been obvious to one of ordinary skill at the time of invention to include the teachings of O'Shaughnessy to the invention of Wallman. The combination of disclosures would have enabled an investor to make a selection and place an order as to the shares to be sold for desired cash and tax results (See Wallman Column 2 lines 65-67).

Claims 82, 98 and 114, Wallman discloses a computer program embodied on a computer medium, a system and a method for enabling a trade in a user selected user preferred security,

Art Unit: 3692

the method comprising: receiving at least first, second and third user specific parameters from the user; generating a graph having first, second and third mutually orthogonal axes intersecting at a common origin (See Wallman Abstract, Column 5 lines 3-5, Figures 4 and 5, the step of receiving is inherent in the disclosure); plotting each of the user preferred securities as an icon on the graph at a coordinate corresponding to the value of the first parameter of that user preferred security along the first axis, corresponding to the value of the second parameter of that user preferred security along the second axis and corresponding to the value of the third parameter of that user preferred security along the third axis, thereby representing and graphically differentiating the user preferred securities from one another (See Wallman Abstract, Column 5 lines 3-5); receiving a user selection of one of the user preferred securities represented on the graph (See Wallman Column 4 lines 10-27); associating order parameters with the user selected user preferred security; and sending an order to execute a trade in the user selected user preferred security according to the order parameters (See Wallman Column 3 line 17 – Column 4 line 27). A computer program embodied on a computer medium and a system to perform the above steps are inherent in the disclosure of Wallman.

Wallman does not explicitly teach the steps of receiving security data for a plurality of securities from a security data source; receiving from a user at least two user specific criteria including at least one criterion related to pricing; automatically identifying within the plurality of securities at least two user preferred securities conforming to the user specific criteria received from the user.

O'Shaughnessy teaches the steps of receiving security data for a plurality of securities from a security data source (See O'Shaughnessy Column 2 lines 9-15); receiving from a user at

Art Unit: 3692

least two user specific criteria including at least one criterion related to pricing; automatically identifying within the plurality of securities at least two user preferred securities conforming to the user specific criteria received from the user (See O'Shaughnessy Abstract Column 18 lines 11-63 and Column 19 line 1 – Column 20 line 67, the step of receiving is inherent in the disclosure).

It would have been obvious to one of ordinary skill at the time of invention to include the teachings of O'Shaughnessy to the invention of Wallman. The combination of disclosures would have enabled an investor to make a selection and place an order as to the shares to be sold for desired cash and tax results (See Wallman Column 2 lines 65-67).

Claims 68, 84 and 100, O'Shaughnessy teaches the step wherein the at least one criterion related to pricing is one of: Current Price, High/Low, Open/Close, Daily High/Low Count, 52 Week High/Low, Gap, Change from Close/Open, Change from X Day/Month/YTD Average Close, X Day/Month/YTD High/Low, 15/60/120 Day SMA, 15/60/120 Day EMA, Rate of Change, 10/30/50 Day RSI, 10/30/50 Day RS1 from Close, Bollinger Bands, MACD, 20/40/60 Day Momentum, 20/40/60 Day Momentum from Close, Money Flow, Money Flow (W), Williams %R, PE Ratio, and Market Cap (See O'Shaughnessy Column 18 lines 27-46).

Claims 69-81, 85-97 and 101-113, Wallman teaches the steps associating order parameters with the selected user preferred security further comprises associating a number of shares, a price and an execution location with the user selected user preferred security (See Wallman Column 13 lines 4-34); preloading the order parameters prior to the step of receiving the user selection of one of the user preferred securities represented on the graph (Old and well known. This feature makes the process of placing the order more efficient once the selection is



made); the step of sending an order to execute a trade in the user selected user preferred security further comprises sending an order selected from the group comprising a buy order, a sell order, a short order and a cancel order (See Wallman Column 13 lines 4-34); performing compliance analysis on the order (See Wallman Column 14 line 63 – Column 15 line 4); storing information relating to the order in a database (See Wallman Column 13 lines 4-34); receiving a continuously updated stream of security data, including level one, level two and time and sales data, relating to the plurality of securities (Old and well known); providing a continuously updated stream of security data, including at least one of fundamental data and analytical data, relating to the plurality of securities (Old and well known); generating a graph comprises displaying a three dimensional coordinate system having mutually perpendicular axes intersecting at a common origin and representing the user preferred securities as visually distinct graphical icons located within the coordinate system at positions representative of the values of each of the user preferred securities (See Wallman Figures 4 and 5); generating a graph further comprises altering characteristics of the visually distinct graphical icons to represent dimensions greater than 3 (See Wallman Column 5 lines 5-27); wherein each of the user specific criteria is different from each of the user specific parameters (inherent in the disclosures of Wallman and O'Shaughnessy); wherein the user specific criteria and the user specific parameters are the same (Old and well known); wherein at least one of the user specific criteria is different from each of the user specific parameters (inherent in the disclosures of Wallman and O'Shaughnessy); wherein at least one of the user specific criteria is the same as one of the user specific parameters (Old and well known).

### ***Response to Arguments***

6. Applicant's arguments with respect to pending claims have been considered but are moot in view of the new ground(s) of rejection.

***Conclusion***

7. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dr. Narayanswamy Subramanian whose telephone number is (571) 272-6751. The examiner can normally be reached Monday-Thursday from 8:30 AM to 7:00 PM. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached at (571) 272-6777. The fax number for Formal or Official faxes and Draft to the Patent Office is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PMR or Public PAIR. Status information for unpublished applications is available through Private PMR only. For more information about the PMR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Dr. N. Subramanian  
Primary Examiner  
Art Unit 3692

December 24, 2006